

Interview with U.S. Ambassador Lawrence Butler
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Choice between delay or moving towards EU and NATO

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LOBI: You had a working breakfast with the International Commission on the Balkans and probably you discussed the current situation in Macedonia. What is your view of our situation?

Ambassador Butler:: Interesting group of people. It included former President Gligorov, a former American Ambassador to Bulgaria, former Italian Prime Minister Amato. An interesting group of people – Greeks, Turks who clearly have been doing a lot of reading and a lot of thinking about Macedonia and the question was what is the situation in the country, the implementation of the Framework Agreement and what I think about November 7th. I gave them my three years’ perspective of how Macedonia has progressed from a very serious security environment, where it wasn’t safe for police officers to go to certain places, it wasn’t safe for citizens to drive to certain places; we were arguing about whether interest rates for small and medium-sized enterprises were too high, whether judges gave decisions fast enough, why more foreign investors didn’t invest here. They appreciated the medium-term perspective. On the short-term perspective we talked about what might or might not happen on November 7th.

LOBI: So you delivered your optimistic view about the situation in the country. Didn’t this change with the atmosphere that was created with the referendum?

Ambassador Butler: No. In many ways, the referendum - and this is somewhat contradictory to what I might have said just weeks ago - gives Macedonians yet another chance to show their maturity and their wisdom for the future. Every time the citizens of this country have been asked to make a choice, they have made the right choice. I don’t see the atmosphere as having gotten worse because there is a solid democratic debate. People are free to express their opinions, not necessarily to have to agree with all the opinions, but this is maybe one of the rare moments where we have people stepping up and saying what they think about the questions posed by the referendum.

The message I had for the group this morning was that we are not neutral on the referendum. Why we are not neutral? Because, the referendum is a choice between a status quo and the law that was passed six weeks ago, the choice is between 123 municipalities and 84 municipalities, the choice is between not complying and not fulfilling the Framework Agreement, because for the foreseeable future if the referendum succeeds there would be no decentralization as envisioned in Framework

Agreement, Article 3: stronger decentralized government. Or the choice is to pick an option, which is the law that has been passed; we and our experts have looked at it hard and it meets the minimum technical criteria for successful municipalities, it increases the ethnic diversity of municipalities, not decreases but increases it, reduces the number of municipalities, and even the IMF and World Bank say they will probably survive fiscally with the new responsibilities that they will get. More importantly for our perspective the EU, NATO and probably other Euro-Atlantic institutions, one of the criteria for membership is fulfillment of the Framework Agreement.

LOBI: Do you really think that the referendum is about the territorial organization?

Ambassador Butler: I'm sure there are a lot of motivations on the part of the people who signed the petition. I know from talking to them that there are different motivations on the part of the organizers. Some, I think, are members of the opposition who would like to be in position. They see this as a way to have early elections and maybe they can win and run the country again. I think some of the people that are involved and are for the referendum are anti-Framework Agreement. I've gone back and looked at what they've said in 2001. They didn't like the Framework Agreement then, and they don't like it today. I think that some of the persons are not in favor of the Euro-Atlantic integration. I've looked what they said in 2001, in 1999, and looked what they are saying today and I don't see many differences. And there are some people who are legitimately concerned about going back to where they were in 1996 and I would say stepping off into uncertainty. People always prefer the status quo. What I'm concerned about, what I see, and you know that the mud on my boots is from walking around the country, I see municipalities where the lights are going out. Every day the lights are going out in municipalities all over Macedonia and it has to stop. The worst thing that could have happened to Macedonia is what happened in 1996 when 123 ethnically homogenous municipalities were created. And if we forget the ethnic part, they were not sustainable, they had no power, they couldn't build sidewalks, build new schools, couldn't collect taxes, and they couldn't do anything except beg for money from the government. Which meant that power came back to Skopje, and that the citizens from all communities were drawn into Skopje. And if you belonged to the right party, maybe your municipality got enough denars to build a new school or something else.

I'm sure that there are a lot of motives in there, but we have to focus on the implications. What are the implications of voting "yes" or voting "no?" The implication for me is pretty clear: If you vote "yes," Macedonia faces uncertainty and a delay. Political turmoil, new elections, I mean there are all kinds of possibilities and I don't want to speculate. If they reject the referendum and choose to go on the municipal organization package that we have looked at and are comfortable with, we know where that goes. There are some uncertainties there, too, but it is very directed towards NATO and the European Union without delay. And that's the important thing. Delay, we'll stop, we'll go around in circles, and there are going to be questions, and maybe new leaders and I wonder if you want some of those leaders running the country again. They tried a couple of years ago and didn't do a good job; maybe they want to finish the job. Or you want to keep going this way, maybe we have some questions but in a democracy, every four years you have a chance to change your mind. The next change of mind is in 2006. We are very comfortable with the new territorial organization. As I said we are not neutral, we are not unbiased on

this issue. What we are not neutral on is that we are in favor of the Framework Agreement. My country is one of the witnesses and one of the guarantors. We believe in the rule of law, referendum is required by the Constitution, the organizers met all the requirements to gather it. It's reality. Macedonian voters have to make a choice.

LOBI: The referendum is creating some political problems. What do you think; where is the mistake?

Ambassador Butler: When I'm climbing a mountain, I like to stop and look behind to see where I came from and what I have accomplished. Climbing a mountain in the dark, you have no recollection or sense of how far you have come and what an effort it took to get where you were going and the obstacles you came over. Since Macedonians went to referendum in 1991 to decide whether they wanted independence from the SFRY or not, the country has overcome a series of obstacles – the double embargo, problems with the name, problems with wars elsewhere in the Balkans and former Yugoslavia, problems in Kosovo and Albania, problems with the European Union expanding too fast or too slow, the economy is not good enough, too many crooked politicians...all these issues. Nonetheless, how do you look at what Macedonia has accomplished as a country? Today it stands out as the Balkans' only multiethnic, multicultural society. It has a truly multicultural, multiethnic government who are not into how much money they can steal. As far as I can tell there are no more Besnik Fetais and how much money I can make on sugar, and that's why I'm here. I have no doubt that the question of corruption is not eliminated within the government; I'm not naïve on that. Unless I see a government that is doing its best as a multiethnic, multicultural government... I see a government, which is committed to meeting the standards that are high for NATO and working towards getting into the EU accession path. Macedonia would have had no chance two years ago to be on the verge of getting the 5,000 questions and be 18 months away from getting the opinion of the European Commission as to not whether it is ready for EU membership, but how ready is it and what does it need to do to get there. This I find remarkable. The fact that 13 years into independence, having experienced an internal conflict, having experienced war crimes, where people are still missing from the conflict, that Macedonia could be where it is today, is something Macedonia should be aware of, and Macedonians should be proud that they are where they are today despite all that has happened. The question right now is, and we talked about that in the meeting with this group today, is that I don't see a new crisis. Yes, every country has a potential for crisis, including my country, but I see opportunities and I see willingness and a desire to work. But people have to ask the question: which direction are we aiming at, and who is best qualified to get us there? And I'll be blunt: Do you want the people who brought you type A, or do you want a group which is making strong progress towards NATO and is on the verge of getting a questionnaire from the EU which gets you into the process? Once you are into it, there is no turning back. But I'm wondering if Macedonians are a little hesitant of taking that last inevitable step towards Euro-Atlantic integration. I think that there are some people in this country who don't want that to happen.

LOBI: But with the referendum now are we not putting all this into question with the possible implications?

Ambassador Butler: Macedonia, more than any other country I've dealt with, has experienced more tragedies and setbacks. This year Macedonia should have been further than it is right now. You lost a president, we've lost a friend of the United States and a friend of the ordinary person in Macedonia. You experienced early presidential elections, change of the Prime Minister, and now the referendum. Other countries experience these things too, and there are countries in Europe who are not members of the EU and are going through problems as well. There is no going back. The Framework Agreement defines Macedonia's final status, which is a multiethnic country with territorial integrity and intact sovereignty. There is no going back from that. If anybody threatens that is mistaken, it's not going to happen. There will be implications. But it is possible, if enough people are not happy with the economy or how they feel the government communicates or not, they have the capacity to stop Macedonia where it's going now. In the flow of history when you try to stop you tend to find yourself overflowed with things that are coming from behind you. Now if we question whether the Framework Agreement was the right thing to do. We got over 2001 with the Framework Agreement and a social compact was created with the FWA. That compact was local people will have local government. Now here is the challenge for the government. The government has to communicate clearly in the next six weeks why the agreed-upon municipal organization is smaller, more compact, more viable, more ethnically diverse, and those who say that they are ethnically divisive are wrong. This is where I have to say to those of you who say that this is drawing a new wall or new borders inside Macedonia, you must be trying to help somebody else draw new borders. I've looked at the ethnic breakdown, Nicholas White from the International Crisis Group also thinks that the new division actually improves it, and it brings rural and urban communities together and creates sustainable communities. Lights are going out all over Macedonia. They are going out because people are leaving or dying. And this is too bad. Because the future of Macedonia can be here and can be as part of Europe. As Ali Ahmeti says, you are not building little cottages down here; you are building a part of a greater Europe. The question is what does the government have to do from now and November 7th. They have to communicate that the new plan is as good as any plan we know about and it is the only plan we are dealing with. I haven't seen any alternative plan that is better than this one. I haven't seen any alternative plan.

LOBI: For many people, this year is a lost year. We haven't even started dealing with the economy, preparing the way towards Europe.

Ambassador Butler: Your question is clearly on the mind of voters, on the minds of the people who signed the referendum who very much believed what they were being told, that this was going to divide Macedonia. Some are simply unhappy. But I do know that whether people vote "yes" or "no" or don't vote very much depends on the government's ability and the citizens' ability to understand what the choices are. If you are not happy today, if you don't have a job, your wife doesn't have a job, is this going to get better or worse by saying no to something which is an integral part of the FWA and of the process that is inevitably leading Macedonia to Europe? Macedonia's future is in Europe. The question is how fast would you like that to happen. I think Macedonians think very much about their children, and what kind of Macedonia in Europe would be the result of voting yes or no. The question has to be am I better off going with the current law which will come into effect January 1st with 84 municipalities, which is important towards the European and international standards,

which is getting a green light from NATO, getting a green light from EU, or do you want to take a time-out and stop and deal with all the turbulence and the turmoil that will come with that?

LOBI: Yes, but are the people capable to be rational in this situation?

Ambassador Butler: I have been living in and around the Balkans since 1992. Of all the places I have lived in where I'm not afraid of irrational motions, Macedonia is the place. Every time Macedonians were faced with the choice under difficult circumstances they've made the right choice.

LOBI: Are you confident that the government in the next six weeks will communicate the message that the new law is better than the old one, considering that they didn't manage to do that when the law was in parliament?

Ambassador Butler: I have a great deal of sympathy and understanding for why the government between February when the first reading of the law was passed and when the coalition came up with the final product in July, why wasn't there a strong public campaign to explain the benefits of it. It is because you lost the president, you had presidential elections, and had to choose a new Prime Minister, and this was enormously distracting. I understand the challenges of trying to do a couple of things at the same time. Also the law was being looked at and was being amended by the coalition partners internally because of internal pressures as well as by the opinions expressed by the citizens. The law that was finally passed in July is about 99% of what was passed in February. For a six-month period people had a chance to look at it and decide whether it will work. It also gave us, as international community, a chance to look at it again. The elected government now has to explain to the citizens and be accountable. That is what the beauty of democracy, is because in every reasonable period you have the ability to say you are fired, we are getting a new government and we will change it. People need to understand what the consequences are if they say "yes" on November 7th. It is going to be up to the citizens. The bottom line is that it is going to be an interesting six-week period. The government has an opportunity, but will it succeed? I don't know. I certainly hope so and I have confidence that they understand the need to do that. It is also very important for the media to make it clear what the international opinion is. The international opinion is we have no problem with the law passed. That doesn't mean that we wouldn't agree to another law, but this was the only one we have on the table. We see some of the opposition as motivated to be in the government again and you can do that in 2006 or you can do it now. But there is a requirement to implement the Framework Agreement. If Macedonia chooses not to implement the agreement by voting against it then we go into a period of holding, which means withholding. NATO is not moving further away but you are not getting closer because you, the people of Macedonia, have chosen to stop. I don't see this as anti-Albanian, as anti-NATO or anti-Government. I don't know what the motivations are, but I know what the implications may be. If you choose this way, these are the results. If the referendum is rejected, if the current law stays on the books, the worst that can happen is that in 2006 a new government can come in and change it if it's not working. In the meantime, the Framework Agreement has been implemented and you are going towards NATO.

LOBI: You have been here a few years, and have a lot of experience in dealing with our politicians. What is your opinion about their political capacity?

Ambassador Butler: Politicians are probably the most criticized group of people I know. They are also the hardest-working people who work, in most cases, for the least amount of money and the least amount of respect and appreciation. The politicians I've dealt with in Macedonia are some extremely good politicians. There are a few really good local politicians. We are investing in developing local politicians. Both IRI and NDI have programs to help develop the capacity of local politicians, anticipating the new elections in March next year to run for the council or to be mayors of municipalities. Right now you don't have much responsibility if you are a member of the "opshtinski sovet," you have no money. I guess the biggest deal of politicians I admire is because of the ability to raise money from the government or from foreign donors.

At the national level I think there are some very good politicians. Some would say they have more concern about the political party structures. And there, I think, you and I both know we are talking about a number of political parties that are in the process of breaking up right now.

LOBI: We are aware of what is going on with VMRO-DPMNE. SDSM will face the election of a new leader. There is an opinion that DUI is still a party in a process of formation because even after three years they still haven't had their first congress. So both strong parties are facing strong intra-party problems and relations. Do you think that will create additional problems?

Ambassador Butler: My observation of DUI as a political party, which is Macedonia's newest political party created from almost nothing, is that they are developing into a very effective political party. Now the technical legal aspects I don't know, but in terms of how they behave on the ground, how they behave as a parliamentary group, how they behave as a party leadership is strong and effective. SDSM has a long tradition. We watch what is happening inside VMRO. We think it's important that every country, every democracy, needs to have a strong opposition in order for the government party to be held accountable. That's important. But I don't see any problems in internal leadership issues that you refer to. I think they are common in a democracy. It has been a while since we have seen a new party born, which really challenges.. When it comes to the VMRO it's a different issue right now. We work closely with VMRO-DPMNE and we see it as a legitimate right of center party, a balance to the governing coalition.

LOBI: There were some speculations that a new Albanian political party will be established with the support of some international community representatives. There is also speculation that some of the diplomats are taking sides in the internal conflict in VMRO even by not granting a visa. Do you have any comment?

Ambassador Butler: I think it would be irresponsible for foreign diplomats to be involved in the creation of a new political party unless we are in a country with real problems with democracy. I can think of examples where we actively got involved and helped forming a party in a dictatorship, or under communism. I don't know where this speculation was created. I have no knowledge that any member of the international community is involved in this.

We also don't take sides in internal party politics. What happens inside VMRO is up to people in VMRO. What happened to the U.S. action regarding Mr. Georgievski's visa status was a decision made in the U.S. based on reasons cited in the executive order and has nothing to do with internal political affairs.

LOBI: Are you trying not to be present in public in the last few months? You used to be more present in the media and among the public than you are now. Why? Does it have anything to do with the forthcoming elections in the U.S.?

Ambassador Butler: When we do economic statistics, we say "seasonally adjusted." Which means if you try to compare June to May it might be a bad comparison because people go on vacation in June. I don't think I'm doing less or more, I think it was just the summer. But it definitely doesn't have anything to do with the elections in the States.

LOBI: U.S. through USAID is helping a lot. Are you happy with the amount of money and the efforts put in different fields, and the results in different fields?

Ambassador Butler: We have two objectives with USAID. One was short-term with a quick effect dealing with the consequences of the conflict. And that will be off with the transitional initiatives, CBI initiatives which went into the areas affected by the conflict and tried to mitigate some of the impact. The other part of USAID is with a longer-term nature and they try to build a foundation and structure for the future. One is education. That's brand-new and there I'm very satisfied that we have picked up on something that will pay a long lasting dividend to Macedonia, which is European international quality middle and third level education. Helping Macedonia to get over the transitional period and go directly to where the rest of Europe is. On the economic side, I have to say it's an area where I'm not very satisfied. I think that our economic people are frustrated with the tempo of economic reforms. We think that the reforms should be going faster; there should be less paperwork. I would say that your government should be smaller and figure out how to get out of the way of the business people. Macedonian government is still clumsily in the way of the private sector. It takes too much effort for any company to get started. Too many ministries, too many licenses, too many bureaucratic obstacles you have to jump over. The other sector where I think we are about to see some results is the judicial reforms. Up until recently I was really unhappy with the reforms in the judiciary. We were investing in better organization process because Macedonian courts are buried in unimportant cases. We've been helping them with how to create mechanisms for better and faster processes, so they can concentrate on more important commercial and criminal cases. My frustration was with the unwillingness of the Macedonian judiciary of internal discipline. If a judge is crooked, or is guilty of improper conduct, how is he disciplined? I took notice when last week the Republic Judiciary Council identified three persons for removal for misconduct in the Izair Samiu case. And I said "Bravo." Whether they are guilty or not I don't know, but the judiciary council stepped forward and said the three of you didn't do your job, therefore you have to step down. This is very important. That sends a message to every judge in the country that you are not invulnerable, that you are not Superman, you can't sit there and pretend like you are not going to be accountable if you take a bribe. If you make a mistake you are going to lose your job, so stop making mistakes.

LOBI: Are you satisfied with the cooperation with different levels in the government?

Ambassador Butler: We have excellent cooperation everywhere in the government. My colleagues in the Embassy or other parts of the Mission have access and personal contacts with every level. I think they get frustrated with the bureaucracy and the legal impediments to implementing reforms. And the fact that in the last three years the senior leaders have been distracted with more pressing security issues and not been able to focus on the internal reforms. And that's what Macedonian voters need to think about. Tell Hari Kostov and his gang that they have two more years to get moving or they will lose their job.

LOBI: Hari Kostov until now didn't have a chance to start working...

Ambassador Butler: Yes, I know. And on November 7th if you say "yes," he will never get a chance. So, the next question is: Who is it going to be? Ljupco Georgievski as Prime Minister again, or Zingo, or Tupurkovski?

LOBI: What about the Embassy? Are you going to finish the building before the end of your mandate here?

Ambassador Butler: I would expect to be here until sometime next year. Even if we start building tomorrow, we will not finish it before that. The anticipation was that we would have the Embassy built sometime in 2007. We are on the timeline. The symbolism of building an Embassy on the other side of the Vardar is something we haven't focused on. First, it's not a residential Embassy; no one is going to live there. It will be a place where we work, where the visa applicants come to. Which means at nighttime nobody is out there. I think it is a place where not a lot of people visit at nighttime. It's going to be a more than \$50 million investment, and most of that money will be spent in Macedonia. This could be in many ways the biggest foreign investment in the next two years in Macedonia, probably even bigger than Mr. Koch. The Embassy will be a permanent symbol of American commitment to this country. We are here to stay.

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